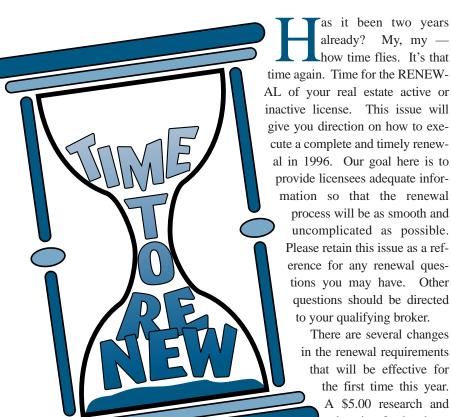


# This Is a Renewal Year!

Your Real Estate License Will Expire Midnight September 30, 1996



time again. Time for the RENEW-AL of your real estate active or inactive license. This issue will give you direction on how to execute a complete and timely renewal in 1996. Our goal here is to provide licensees adequate information so that the renewal process will be as smooth and uncomplicated as possible. Please retain this issue as a ref-

> There are several changes in the renewal requirements that will be effective for the first time this year. A \$5.00 research and education fee has been added to the renewal

fee and must be paid in your total renewal amount. This fee goes to the Real Estate Research and Education Center. Also, a \$65.00 penalty fee will be added to the license renewal fee if it is not paid by August 31, 1996. Likewise, proof of errors and omissions insurance certification for active license renewal is due on or before August 31. A further explanation

of these changes is printed somewhere else in this issue.

For your convenience, the renewal form will reflect the continuing education course work you submitted through June 30, 1996. Cooperation in submitting accurate fees and certifications by August 31 will enable us to issue your 1997-98 license in a timely manner.

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# Act 96-791 Became Law May 29, 1996

# From the Director

By: D. Philip Lasater, Executive Director

n May 29, 1996, Act 96-791 became law effective immediately upon the signing by Governor James. This Act will be detailed in a later "Update" issue, however, a synopsis of it has been provided here. These laws will be published in a revised edition of the Alabama Real Estate License Law book that will be made available this Fall.

- On or after October 1, 1996, Governor James will appoint a consumer member to serve as a full member on the Alabama Real Estate Commission. The addition of this consumer member will increase the total number of Commissioners to nine.
- · The Commission will begin licensing approved instructors and establishing approval periods for schools and courses. The provision for the collection of fees for these accomplishments is authorized.
- · Prelicense education hours have been increased from 45 to 60, the eight week completion requirement has been eliminated, the requirement for classroom hours has been changed to clock hours and provisions for reciprocal licensing in Alabama are set out for those licensed in other states. Reciprocal licensing means Alabama licensees will have opportunities to expand their licensure as they may be interested.
- The collection of transfer fees, that had been temporarily suspended pending clarification of authority, has resumed. The fee will remain \$25.00 for any change to a license necessitating reissuance.
- · Dates for license renewal fees, errors and omissions insurance certification and continuing education (CE begin-
- ning with 1998 renewal year) have been consolidated to August 31. The penalty period has been adjusted so that any renewal deficiency after August 31 will incur an additional \$65.00 or inactivation. Licenses will be placed on inactive status by default beginning October 1. License reactivation will require a \$25.00 fee with the proper form and will be processed in the order of receipt by postmark date. A licensee will be considered out of business until the reactivation has been completed.
- · Complaint disposition notification requirements were set out for the Commission. Finally, beginning next renewal period the CE exemption to those age 65 or older will be extended to only those having been continuously licensed for 10 vears.

# ERRORS AND OMISSIONS INSURANCE:

# Time For Recertification

n order to renew your real estate license on active status, errors and omissions insurance coverage must be recertified by August 31. If you are a member of the state group with Williams Underwriting Group of Alabama/St. Paul, a renewal form will be coming to you soon. The insurance renewal form should be returned with premium payment to Williams Underwriting Group of Alabama, so they can certify your coverage. Other optional insurance carriers should be notified that you need to recertify by August 31 in order to renew your license on active status. The coverage period remains October 1 to October 1.

In the past, proof of errors and omissions insurance certifications could be received until license expiration on September 30, however, now it must be

ALABAMA REAL ESTATE COMMISSION

**Errors & Omissions Program Administrators** 

Williams Underwriting Group, Hqt.

P.O. Box 769 111 W. Chestnut Street Jeffersonville, IN 47131-0769 Watts Line: 1-800-222-4035 Phone: 812-284-2321

Fax: 812-284-3252

### Williams Underwriting Group of Alabama, Inc.

P.O. Box 2693 Huntsville, AL 35804-2693 Watts Line: 1-800-400-9534 Phone: 205-883-0650

Fax: 205-883-0653

received by the Commission on or before August 31. By submitting insurance certification by August 31, any discrepancies between the licensee, insurance company and the Commission can be corrected before a license expires and reactivation is required due to problems with certification. Also, be reminded that this is the same date that license renewal fees must be filed in order to avoid penalty.

Please take the necessary steps to make certain your renewal coverage is certified. It is your responsibility to see that the certification is filed. If it is not, and a license is placed on inactive status it will be the fault of the license holder. License renewal is something you must think about only once every two years, so cooperate with us and avoid down time from your business.

# A WORD TO THE WISE: THIS IS A RENEWAL YEAR

By: Annie Hall, Licensing

enewal forms will be mailed to all active and inactive licensees by August 1, 1996. (Temporary salesperson's licenses are not subject to renewal requirements and may not be renewed.) The renewal form will contain the fee schedule for the next license period.

If a licensee fails to receive a renewal form, it shall be the responsibility of the licensee to notify the Commission's office by August 10 of the renewal period (Rule 790-X-2-.16). Do not use a copy of another person's renewal form; this may cause a delay in your license being issued October 1, 1996.

Licensees must return renewal form and required fees on or before August 31, 1996, to avoid penalty. An inactive license must be renewed the same as an In addition, active active license. licensees must complete and submit to the Commission 12 hours continuing education on or before September 30; and secure errors and omissions insurance coverage either through the State of Alabama contracted group policy or optional coverage through another insurance carrier and submit the required certification of coverage form by August 31 in order to be issued an active license October 1.

Your renewal fee check must be for the correct amount and made payable to the Alabama Real Estate Commission. Your canceled check will be your receipt.

To avoid paying a penalty fee, renewal form has to be filed (postmarked) on or before August 31, 1996. The official U.S. Postmark (NOT the postage meter stamp date) is the postmark used by the Commission in verifying delinquent renewals.

Any renewal received by the Commission with a U.S. Postmark of September 1 and after will be subject to the late renewal penalty in addition to the license fee. The penalty is \$65 for renewals post-

marked from September 1, 1996, through September 30, 1997.

No changes are permitted on the renewal form (transfers, names and/or address changes, etc.). Any changes should be submitted as a transfer with appropriate form(s), certificate(s), and fee(s). If you need to make a home change of address, complete a Commission change of address notice card or indicate the old and

new addresses on a standard sheet of paper along with your name, real estate license number or social security number.

This is the Commission's busiest time of the year. Many renewals have to be returned because the checks are incorrect or not signed. Reading the forms carefully will help prevent the renewal and fee from being returned and causing your license to be delayed.

# QUALIFYING BROKERS Active or Inactive License: That Is The Question

ualifying brokers, do you know the easiest way for your license to be placed on inactive status, your company to be put out of business or to lose your sales agents? It's simple, don't complete continuing education, don't submit proof of errors and omission insurance coverage and don't pay the renewal fees by the required deadlines. That is the answer.

If you do not submit continuing education (CE) requirements by September 30, 1996, the Alabama Real Estate Commission will renew your license on INACTIVE status. The September 30 deadline is applicable for this renewal year only. Continuing education beginning with the 1998 renewal year must be submitted by August 31.

If you do not have errors and omissions insurance either through the State of Alabama contracted group policy or optional (equivalent) coverage through another insurance carrier on or before

August 31, 1996, the Alabama Real Estate Commission will issue your October 1, license on INACTIVE status.

If no continuing education, no proof of errors and omission insurance or no payment of the required renewal fees are submitted by the deadlines, you will be unable to transact any real estate business. All sales agents affiliated with you will be placed on INACTIVE status and can not transact any real estate business until your license is activated. In essence, you will be out of business! You must meet all requirements for renewal plus complete a license activation form and submit \$25.00 payment for you and each license transferred from inactive to active status before any real estate business can be transacted. If your sales agents do not meet all renewal requirements, they too will be unable to transact any real estate business until all requirements are completed.

# INACTIVE LICENSE ACTIVATION PROCESS

ny licensee who wishes to have their 1997-98 real estate license issued on active status, must submit proof to the Commission that he/she has successfully completed 12 hours of continuing education, and proof of secured errors and omissions insurance coverage either through the State of Alabama contracted group policy or optional coverage (as provided for in Rule 790-X-2-.22 of the License Law). An activation form completed and signed by the qualifying broker and a \$25.00 fee have to be mailed to the Commission's office to complete the transaction of transferring a license from inactive to active status. Certified or registered mail SHALL NOT be used for activation in this case.

Any licensee whose license has always been held by the Alabama Real Estate Commission (inactive status), and plans to activate his/her license, must complete an activation form and submit \$30.00 for payment of the recovery fund fee.

### LICENSE RENEWAL FEES

Required fees, including penalty after August 31, are as follows:

License Fee	Salesperson	Broker
August 1, 1996 - August 31, 1996	\$70.00	\$90.00
License Fee with Penalty		
September 1, 1996 - September 30, 1997	\$135.00	\$155.00
Research & Education Fee		
August 1, 1996 - September 30, 1997	\$5.00	\$5.00

Remember, when an individual's license is placed on inactive status that person may not engage in any activity that requires a license. An individual who continues to engage in such business is guilty of a misdemeanor and upon conviction, may be punished by a fine of not more than two thousand dollars or imprisonment of not more than one year, or both, in the discretion of the court.

# CONSIDER YOUR OPTIONS: AVOID PAYMENT PROBLEMS

If you wish, you may submit a personal check for the payment of your renewal fee because Alabama License Law does not require that you submit your fees in a certified check or money order. However, hundreds of licensees could avoid problems with the Commission and their banking institution if certified funds are submitted - consider your options.

# REQUIRED CONTINUING EDUCATION

Twelve (12) hours of continuing education is due by September 30, 1996, for the current license renewal period. Licensees must take six hours (two courses) of mandatory courses and six hours of electives to meet C.E. requirements or four mandatory courses may be taken in lieu of six hours of elective course credit. Three hour mandatory courses are as follows:

- 1. Alabama License Law
- 2. Agency Disclosure
- 3. Fair Housing
- 4. Handling Trust Funds
- 5. RECAD I: Overview
- 6. RECAD II: Practical Application

# • NOTICE •

# C.E. CREDIT CHECK FOR LICENSE RENEWAL

Due to the overwhelming number of calls from licensees requesting verification of continuing education course hours, this information cannot be provided by telephone. A computerized C.E. list of an individual or entire company can be obtained for a fee of (10) ten dollars each. Submit all requests in writing including name and license number along with check or money order payable to the Alabama Real Estate Commission. Lists will be mailed or faxed upon request in order of receipt. C.E. hours will be printed on 1997-98 license renewal forms due out by August 1, 1996.

# DISCIPLINARY ACTIONS TAKEN

# January 1996 Through May 1996

Name: Mable K. Parker, Qualifying

Broker, Morgan County

**Date of Hearing:** January 19, 1996 **Disposition:** Revoked, but stayed pending payment of \$250 fine and completion of three hour trust accounts course, with revocation null and void upon compliance with said conditions.

**Violation:** Code of Alabama 1975, as amended, Section 34-27-36(a)(8) a. and b. failing to deposit and account for at all times all funds to be held in trust.

Name: Mary A. Leo, Qualifying Broker,

Madison County

**Date of Hearing:** March 8, 1996 **Disposition:** Revoked, but stayed pending payment of \$1,000 fine and completion of three hour trust accounts course, with revocation null and void upon compliance with said conditions.

**Violation:** Code of Alabama 1975, as amended, Section 34-27-36(a)(8)a. and b. failing to deposit and account for at all times all funds to be held in trust.

**Name:** Realty Associates, Inc., a corporation, Jefferson County

Name: Jason Glenn LeSueur, Qualify-

ing Broker

Name: Mildred Helen Coker, Salesper-

Name: Paul Ricky Coker, Salesperson Name: Scott Eugene McReath, Associate Broker

Name: Darren J. Leonard, Salesperson Date of Hearing: Hearing Waived Disposition: All licenses surrendered with revocation agreement in lieu of filing of formal complaint.

Name: Brian David Bosarge, Qualifying

Broker, Mobile County

**Date of Hearing:** Hearing Waived **Disposition:** License surrendered with revocation agreement in lieu of filing of formal complaint.

Name: Odell White, Jr., Qualifying Bro-

ker, Jefferson County

**Date of Hearing:** April 12, 1996 **Disposition:** Suspended for 30 days, but stayed pending submission of CPA audit



and demonstration of establishing sound accounting procedures, with suspension null and void upon compliance with said conditions.

**Violation:** Code of Alabama 1975, as amended, Section 34-27-36(a)(8)a. and b. failing to deposit and account for at all times all funds to be held in trust.

Name: Olin C. Dabbs, Qualifying Bro-

ker, Tallapoosa County

Date of Hearing: May 10, 1996

**Disposition:** Reprimand

Violation: Code of Alabama 1975, as

amended, Section 34-27-31(i) failing to notify the commission within 10 days of the institution of a civil suit.

Name: Madison H. Hoten, Qualifying

Broker, Clay County

Date of Hearing: May 10, 1996

**Disposition:** Revoked, but stayed pending payment of \$1,000 fine, completion of trust accounts course, and no further violations within one year with revocation null and void upon compliance with said conditions.

**Violation:** Code of Alabama 1975, as amended, Section 34-27-36(a)(8)a. and b. failing to deposit and account for at all times all funds to be held in trust.

# OTHER ADMINISTRATIVE ACTIONS

Salesperson Applications
Approved
Denied
Broker Applications
Approved
Denied
Determination for Licensing Eligibility
Approved
Denied 1

# CHANGE OF BUSINESS ADDRESS

Within 30 days of a change of business address, the qualifying broker must submit to the Commission the following:

- 1. All current licenses, including all brokers, salespersons, and the corporation, partnership or branch office license.
- 2. \$25.00 fee for each license.
- **3.** A letter from the qualifying broker requesting a change from the old to the new business address.

# **BRIEFLY LEGAL**

By: Charles R. Sowell, General Counsel

# Deposit of Funds Rule Changes

ate last year the Commission adopted two changes to Rule 790-X-3-.03. This is the rule that deals with depositing and accounting for funds to be held in trust as set out in Section 34-27-36(a)(8) Code of Alabama 1975, as amended. The complete rule as amended is printed below with the changes underlined for easy review. The changes are not difficult to understand, but I am going to explain them to make sure everyone understands what the Commission expects.

The language in paragraph 2 was added to specify when funds are to be deposited. The law says that a broker's duty to deposit and account for funds is "at all times", but does not say exactly when the funds have to be deposited into the bank. The Commission made this change to clarify when the deposit is to be made. Notice that cash is treated differently from a check. Notice, too, that the rest of the changes are common sense, and should be easily incorporated into your practice. In fact it fits existing practice in almost all cases.

The changes to paragraph 3 came as a result of audit findings showing in too many cases companies had a shortage of trust funds in their accounts, and tried to excuse this by blaming the broker or company from whom they "inherited" the business. If you are buying a brokerage business, merging one business with another, taking over management of a property from another broker, or for any other reason are replacing a qualifying broker, then this rule change applies to you. You must require a complete accounting and transfer of all funds being held in trust. This includes earnest money,

security deposits, undisbursed rents, repair funds held for owners, and all other trust funds.

One more word about trust funds accounting. It is amazing how many brokers do not know the total of money they should be holding in trust. Needless to say these brokers are not able, even if they think about it, to compare this figure with the balance on their bank statements. You should have a complete, current list at all times showing a total of funds you are holding in trust. Every bank statement should be reconciled, and the figure on the list compared to the funds you have in the respective accounts. If the figure on your list is greater than funds in the bank accounts, you are short-Duh! And money in your general or other non-trust accounts does not count! Unless, of course, your defense is that you are commingling trust funds with your company funds. Shortages and commingling are violations of the law. It is as simple as that.

# RULE 790-X-3-.03 Deposit of Funds.

- (1) Each real estate salesman or associate broker shall pay over to his or her qualifying broker all funds coming into his or her possession in trust for other parties immediately upon receipt of same.
- (2) Each qualifying broker is responsible for deposit of all funds belonging to others coming into his or her possession or of a salesman or associate broker licensed under him or her where such

funds are to be held in trust, unless the qualifying broker is expressly relieved of such responsibility in writing. In cases where the funds are U.S. currency, i.e., cash as opposed to a check or note, these funds shall be deposited immediately. In cases where a check is received as earnest money and the contract form states that the check is to be held for a specific length of time or until the occurrence of a specific event, then the check shall be deposited when the contract form states, or if no time for deposit is specified in the contract form, then the check shall be deposited when the offer becomes a contract.

(3) Funds to be held in trust under a contract for sale involving more than one qualifying broker shall be held and deposited by any of the qualifying brokers involved in the sale. All funds to be held in trust, whether by contract for sale, or by lease or property management agreement, shall be held and deposited by the qualifying broker who is providing these services to the owner. In cases where a successor qualifying broker is to provide these services, the first broker shall provide a complete accounting of the funds, and shall transfer the funds to the successor broker. The qualifying broker who is currently providing services to the owner shall be responsible to the public and to the commission for all funds. Upon request by the Commission or its authorized personnel or representative, each qualifying broker shall promptly account for any trust funds being held by that qualifying broker.

(4) Each qualifying broker shall promptly disburse to the appropriate par-

# REAL ESTATE COMMISSION Whate

ty or parties any trust funds within seven (7) days of the consummation of the transaction for which the funds were deposited. If for any reason the transaction is not consummated, or if for any reason there is a disagreement involving to

whom trust funds should be disbursed, the qualifying broker shall not disburse any trust funds expect pursuant to a written agreement signed by all parties or pursuant to a court order.

(5) This rule shall not prohibit a broker from depositing with the appropriate court any trust funds which are the subject of disagreement between or among parties under the rules of interpleader or other lawful procedure.

# NEW FEDERAL RULES ON LEAD-BASED PAINT POISONING

n March 6, 1996, the U.S. Department of Housing (HUD) and the Environmental Protection Agency (EPA) issued new rules dealing with lead-based paint. The rules as summarized by a press release from the agencies state:

- 1. Sellers and landlords must disclose any known lead-based paint hazards in homes. They also are required to give buyers or tenants any reports that are available from tests that may have been performed before sale or lease.
- 2. Sellers and landlords must give buyers and renters a pamphlet about how to protect families from lead in homes. The pamphlet, developed by HUD, EPA, and the Consumer Product Safety Commission, is available in both English and Spanish.
- 3. Home buyers receive an optional 10-day period to conduct a lead-based paint inspection or risk assessment at their own expense if desired. The number of days can be changed by mutual consent.
- 4. Sales contracts and leasing agreements must include provisions ensuring that disclosure and notification actually take place. Some states already have lead paint disclosure provisions in sale and lease contracts. For those states that do not, the agencies have developed a sample form included in the rule.

5.Sellers, landlords, and real estate agents (or other agents) all share responsibility for ensuring compliance with the rule.

The new rule covers most public and private housing that could be occupied by children and was built before 1978, the year lead was outlawed in household paint. The new rule, which has the support of the National Association of Realtors and other groups, does not require any lead paint testing, removal, or abatement, nor does it invalidate leasing or sales contracts.

Questions and information inquiries may be directed to the National Lead Information Center at 1-800-424-LEAD. Pamphlets, copies of the rules, dis-

closure forms, etc. are available.

We are making this information available as a service to our licensees. Inquiries should be directed to HUD and EPA as the rules are their rules. Please be reminded, however, that these federal rules do not conflict with existing Alabama law. Sellers and sellers' agents in Alabama already have a duty on a home sold under the principle of "caveat emptor" to disclose known defects which could affect the health of purchasers and other occupants. This includes disclosure of known lead-based paint on a property. Compliance with the new federal rules should also satisfy Alabama law requirements.

# **EDUCATION CORNER**

By: Pat Anderson, Education Director

# Changes in Education Requirements

Act 96-791 signed into law May 29, 1996, contains three significant changes to prelicense requirements:

- 1. The salesperson prelicense course requirement was increased from 45 classroom to 60 clock hours. Instructors are beginning to phase in the 60 hour requirement. In fact, all prelicense courses which begin after September 1, 1996, must contain 60 hours. Some of the additional hours will be License Law and RECAD. Between now and January 1, 1997, applicants will be eli-
- gible to sit for the exam with either a certificate showing completion of 45 or 60 hours. After January 1, every salesperson applicant must complete the 60 hour course prior to sitting for the examination. Those having only 45 hours by January 1, can meet the 60 hour requirement by taking the 15 hour course.
- 2. The word CLASSROOM was changed to clock hours in the prelicense requirement. Distance learning standards will be developed to permit the regulation of classes taught by alternative delivery methods.
- 3. The eight week requirement for salesperson and broker prelicense courses was eliminated. Therefore, schools are free to set their own schedules. However, Rule 790-X-1-.06 is being amended to allow no more than 6 hours credit per day for prelicense classes.

# Auburn, Alabama This year's Annual Instructor's Seminar will be held on Tuesday, October 22, 1996, at the Auburn Hotel and Conference

October 22, 1996

**Annual Instructor's Seminar** 

will be held on Tuesday, October 22, 1996, at the Auburn Hotel and Conference Center in Auburn, Alabama. Registration will be from 8:30-9:00 am. The program will begin promptly at 9:00 am. and conclude between 3:30 and 4:00 pm. A block of rooms has been reserved at the Auburn Hotel and Conference Center for \$61.00 per night. Registration material will be mailed in September.

Participating in the programming of this year's annual seminar, will be the Alabama Chapter of REEA (Real Estate Educators Association). During breakout sessions, members will conduct round table discussions on buyer brokerage and the future of real estate, use of games to enhance learning and other topics. They will also spear head a "Parade of Ideas" for the closing general session where instructors will have an opportunity to share teaching tips and ideas with each other

There will be other break-out sessions on topics such as technology, RECAD, lead-based paint rules and review of National and State exams. Kay Evans, DREI from Atlanta will conduct both a morning and afternoon breakout session on teaching skills called "Move Over and Let'Em Learn". The opening session will include a review of the License Law changes which occurred as result of ACT 96-791 becoming law on May 29, 1996.

MARK YOUR CALENDARS. Any person who is not an approved instructor

# Instructor Mandate For Commission Prescribed Continuing Education Courses

All instructors who teach or wish to teach mandatory continuing education courses; Agency Disclosure, Fair Housing, Handling Trust Funds, License Law and RECAD, must have prior written instructor approval from the Alabama Real Estate Commission as well as attend the required (6) six hour instructor training as directed by the Commission, use the required (3) three hour manual and/or mandatory Commission course outline in conjunction with each course as indicated in the chart below. Every student shall have and use during each course the required manual and/or materials which are the most current edition. Commission course outlines and order form for required (3) three hour manuals can be obtained from the Real Estate Commission. Manuals can be purchased through the University of Alabama, Registration Services, College of Continuing Studies, Box 870388, Tuscaloosa, Alabama 35487-0388.

Please be informed of these requirements, as all instructors will be periodically reviewed and evaluated by the Commission.

MANDATORY COURSE	REQUIRED TRAINING	REQUIRED MANUAL	MANDATORY OUTLINE
Agency Disclosure	X	X	
Fair Housing	X		X
Handling Trust Funds			X
License Law		X	
RECAD	X	X	

# REAL ESTATE COMMISSION Whate

but would like to attend the program can contact the Alabama Real Estate Commission office for registration material.

### Instructor Development Workshop October 21, 1996 Auburn Hotel & Conference Center Auburn, Alabama

The Alabama Real Estate Commission and the Alabama Real Estate Educators Association will cosponsor an Instructor Development Workshop on Monday, October 21, 1996, in conjunction with the Annual Instructor's Seminar. This will be a full day program from 9 am. - 4 pm. and will focus on developing instructor delivery skills. This will be the official REEA sanctioned workshop taught by a senior DREI instructor. This IDW is also acceptable to AAR for a partial meeting of the requirement for GRI instructors.

### Technology Workshop for Instructors October 21, 1996 Auburn Hotel & Conference Center Auburn, Alabama

There will be another optional program offered for instructors on Monday, October 21,1996, in conjunction with the Annual Instructor's Seminar. From 10:30 am. - 12:00 noon, there will be an informal "coffee" with technology expert Matthew Ferrera, Director of Real Estate Technology Center in Andover, Massachusetts. Any questions you want to ask about software, hardware, technology this is the place for you. Monday afternoon from 1:00 - 4:00, Matt will present a three hour program entitled "Instructor Development - Using Technology to Teach". This program will cover topics such as preparing overheads with Powerpoint and Microsoft Word, using software to prepare handouts, note sheets for students and types of transparencies, all about fonts, colors, printers, projectors, LCD panels, laptops, delivery tips and more. Matt is a dynamic presenter who makes the technology session fun and informative. Registration material will be sent out in September along with material for the Annual Instructor's Seminar

# **RECAD CE Course**

Due to licensee demand and the large volume of material on RECAD, the Commission has decided to allow instructors to develop two 3-hour courses on RECAD. Licensees may receive 3 hours of mandatory CE credit for each course taken for a total of 6 hours. The two courses are:

**RECAD I - Overview**Course Code 700 **RECAD II - Practical Applications**Course Code 701

As covered in the special RECAD "Update" edition, RECAD is added to the menu of mandatory courses from which licensees may choose any 6 hours. In addition to the two RECAD courses, the other four mandatory courses are License Law, Agency Disclosure, Fair Housing, and Handling Trust Funds.

Even though the RECAD law will appear as Article 4 in the License Law book, RECAD and License Law are separate CE courses. Again, licensees may choose to take ANY two of the six mandatory courses to meet requirements.

## REMINDER FOR CE INSTRUCTORS AND LICENSEES

Rule 790-X-1-.14 was adopted in July, 1994, to set out student attendance participation standards for all Commission approved courses including continuing education courses. This is to remind licensees that beepers, telephones, and voice pagers are not allowed in CE classes. Licensees who leave class to receive or make telephone calls at times other than breaks can not receive credit for the course. Further, licensees will not receive credit for the course if they engage in activities unrelated to the instruction; e.g., reading the newspaper during class. Additionally, instructors who do not adhere to the requirements set out below may be disciplined by the Commission through suspension or revocation of approval.

### Rule 790-X-1-.14 Student Attendance Participation Standards.

- (1) Proof of attendance in any Commission approved course constitutes the following participation standards:
  - (a) A student shall direct his/her attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction.
  - (b) A student shall refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class. This includes, but is not limited to, the use of voice pagers, beepers and telephones.
- (2) Instructors may not award a certificate of completion to a student who fails to comply with the student attendance participation standards prescribed in Paragraph (1)(a) & (b) of this Rule.

# AREEA NEWS

# Diane Simpson Installed as President-Elect of National REEA

t the 17th Annual Conference held in Atlanta, Georgia, Diane Simpson, DREI was installed as President - Elect for the national organization of the Real Estate Educators Association. Diane will serve in this capacity on the Board of Directors for the 1996-97 year before being installed as President for 1997-98. Diane has served the past two years as the regional Vice President for REEA Region 5 which includes Alabama, Florida, Georgia, Tennessee, Puerto Rico and the Virgin Islands. In her service to the national organization, Diane chaired last year's committee of the year, "The Chapter Activities Committee" as well as this year's committee of the year, "The Conference Program Committee". GREAT JOB, DIANE. We are all proud of you!



Diane Simpson, DREI

# 1995-96 AREEA Officers

### **President**

Carolyn Norman, Mobile

### Vice President

Avery Yarbrough, Birmingham

### Secretary

Cheryl Hulsey, Auburn

### **Treasurer**

Pam Beedy, Daphne

### Director

Brad Salvage, Birmingham

### Director

Dr. Leonard Zumpano, Tuscaloosa

### **Director**

Vacant

# **CONGRATULATIONS!**

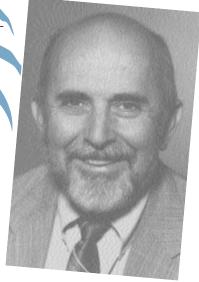
Jim Gillespie and Avery Yarbrough Earn DREI

The Alabama Real Estate Educators Association is pleased to announce that Avery Yarbrough and Jim Gillespie have both earned the prestigious DREI - Distinguished Real Estate Instructor designation. Both were formally presented with the designations at REEA's Annual Conference held May 30 - June 1, 1996, in Atlanta, Georgia.

### To earn the DREI designation candidates must:

- 1. Submit an application showing a minimum of 125 credits earned in the areas of professional experience, education, teaching experience and service to the real estate industry.
  - 2. Pass a 120 question exam on real estate topics and instructional techniques.
  - 3. Submit a 50 minute video of their classroom presentation. The video is reviewed and must be approved by a screening committee of other DREI's.

Congratulations to these two instructors for their outstanding achievement.



**AVERY YARBROUGH** Vice President, AREEA



JIM GILLISPIE
Past President, AREEA

# REAL ESTATE COMMISSION Whate

# AREEA Members Attend REEA Annual Conference

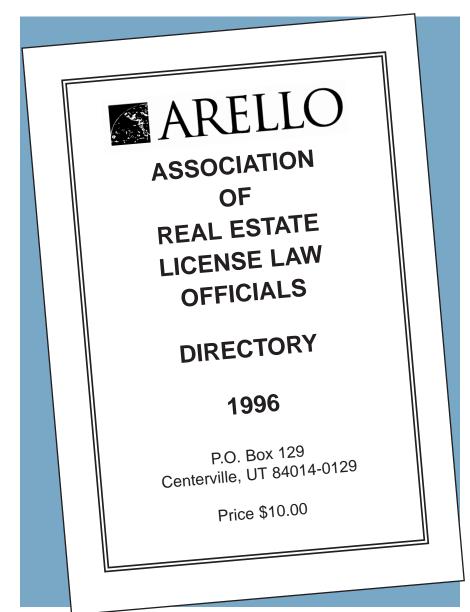
Fifteen Alabama Real Estate educators attended the 17th Annual conference held in Atlanta from May 30 - June 1, 1996. They participated in sessions to enhance teaching skills such as "Snooze Proof Your Presentations", "Toolbox Teaching", "Simplifying Tough Topics and Tough Students", "The Joy of Tech: Teaching with Technology", and many more. They also attended sessions to acquaint them

with the latest information on topics such as "Law Update", "Environmental Issues and the Real Estate Agent", "Finance Update", and "The Future of Real Estate". There were many opportunities throughout the conference to attend technology sessions and a computer lab was open throughout the conference.

Thanks are in order for program chair Diane Simpson, DREI for an outstanding conference. Also, we recognize the following Alabama educators for their presentations at the conference - Peggy Powell for "Stress and Salted Bananas"; Randy McKinney for "Writing a Business

Plan for Your School"; Pat Anderson who was a panelist for "Hot Topics for the New Millennium"; Sandra Johnson and Avery Yarbrough, DREI who were presenters in the Talent Showcase; Jim Gillespie, DREI and Sandra Johnson who participated in the "Parade of Ideas"; Carolyn Norman for "Games and Activities in the Classroom" and Marcia Norris for "Teaching with Real Estate Fables". We are all proud of Brad Salvage who participated in the Conference opening ceremonies as a selected soloist.

GREAT JOB Alabama Educators!



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